

CUSTOMER EDUCATION GUIDE



The 89th Contracting Squadron welcomes you as a customer. Without you we wouldn't have a mission. To help us help you, we solicit your support and cooperation. This guide is furnished to enable you, our customer, to understand the procurement process. We can serve you more effectively if you are aware of the lead-times to accomplish contract award and you incorporate these lead-times in project or program planning. The lead-times are shown on pages 12-14. If you have a complex Information Technology, Studies and Analyses, Construction, Services, or Supply requirement, we recommend you contact the applicable Flight Chief as soon as possible so we can assist you in the preparation of your requirement and business strategy.

ROBERTA B. BURKE, Lt Col, USAF
Commander, 89th Contracting Squadron

TABLE OF CONTENTS

<u>PART</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
Part 1	89TH CONTRACTING SQUADRON ORGANIZATION AND FUNCTIONS	
1.1	89th Contracting Squadron Key Personnel Chart.....	4
1.2	Flight Responsibilities.....	5
Part 2	GENERAL	
2.1	Definitions.....	5-7
2.2	Federal Acquisition Regulation.....	7
2.3	Deviations	7
2.4	Who Can Obligate the Government.....	7
2.5	Contracting Relationships.....	7-8
2.6	Unauthorized Purchases.....	8
2.7	Code of Conduct--Ethics.....	8
2.8	Authorized Contact with Vendors or Contractors.....	8-9
2.9	Prohibition Against Voluntary Services.....	9
2.10	Fraud, Waste, and Abuse.....	9
2.11	On-Base Product Demonstrations.....	9
2.12	Advocates of Competition.....	9
Part 3	PROCUREMENT INTEGRITY	
3.1	Procurement Integrity	9-10
Part 4	POLICIES	
4.1	General.....	10
4.2	How to Obtain Local Purchase Support.....	10
4.3	Required Contract Lead Time.....	10-11
4.4	Submission of Contract Requirements.....	11
4.5	Four Basic Methods of Contracting.....	11-12
4.6	Urgent/Emergency Requirements.....	12-13
4.7	Solicitation of Prices for Planning or Information Purposes.....	13
4.8	Disclosure of Government Estimates.....	13
4.9	Contracts Between the Government and Its Employees.....	13
4.10	Advance Contracting Planning Program (ACPP).....	13
4.11	Modifications to Existing Contracts.....	13
4.12	Small Business Program.....	13-14
4.13	Quality Assurance Program	14-15
4.14	Customer Assistance.....	15-16
4.15	Simplified Acquisition (Under \$100,000) Sole Source Acquisitions.....	16-17
4.16	Other Than Full and Open Competition Acquisitions (Over \$100,000).....	17-18
4.17	Required Sources of Supplies.....	18
4.18	Source Selection Procedures.....	18

<u>PART</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
Part 5	PURCHASE REQUESTS	
5.1	When Are Purchase Requests Required?	19
5.2	Who Initiates and Approves Purchase Requests?	19
5.3	Who Must Insure Authority for Local Purchases?	19
5.4	On What Form and Format Are Purchase Requests Submitted?	19
5.5	Specifications and Descriptions.....	19-20
5.6	Delivery Time.....	20
5.7	Documentation Which Must Accompany Purchase Requests.....	20-21
5.8	Purchase of Automated Data Processing Equipment (ADPE).....	21-22
Part 6	CONTRACT ADMINISTRATION	
6.1	Introduction.....	22
6.2	Pre-performance and Pre-construction Conferences.....	23
6.3	Supply/Equipment Contract Administration.....	23
6.4	Non-Personal Services Contract Administration.....	23
6.5	Construction Contract Administration.....	23-25
6.6	Recourse Against the Unsatisfactory Contractor.....	25-26
6.7	Termination of Contracts for the Convenience of the Government.....	26
6.8	Contract Changes.....	26
Part 7	PROCEDURES FOR REPAIR CONTRACTS	
7.1	Processing Purchase Requests.....	27
7.2	Preparation of DD Form 1149.....	27
7.3	Service Cards.....	27
7.4	Warranty or Guarantee Responsibilities.....	27
7.5	Transportation of Equipment.....	27
7.6	Receiving Report.....	27-28

PART 1 – 89TH CONTRACTING ORGANIZATION AND FUNCTIONS

1.1 89TH CONTRACTING SQUADRON KEY PERSONNEL CHART

MANAGEMENT

Telephone: (301) 981-6580
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Lt Col Roberta B. Burke
Commander

Ms. Ausherman
Secretary

Greg Cate
Director of Business Operations

(S)MSgt Jim Kinslow
Contracting Superintendent

Infrastructure & Acquisition Flight “CE” LGCA

Brenda White (Flight Chief)
Phone: 2-1909/Fax: 2-1912

Team 1 Construction/A&E LGCAA

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Phone: 2-1904/Fax: 2-1912

Team 2 Services/Supply Team LGCAB

Deborah Grant (Team Leader)
Phone: 2-1951/Fax: 2-1912

Team 3 SABER/A&E LGCAC

Capt Phillip Hendrix (Team Leader)
Phone: 2-7344/Fax: 2-1270

Base Support & Acquisition Flight “Base” LGCB

Ellen Siozon (Flight Chief)
Phone: 2-2328/Fax: 2-1911

Team 1 Aircraft, Maintenance & Supply Team LGCBD

Louis (Bud) Campbell
Phone: 2-7341/Fax: 2-1270

Team 2 Hospital/Services LGCBB

Sandra Foster (Team Leader)
Phone: 2-2310/Fax: 2-1910

Team 3 Operations/Logistics/Communications LGCBA

SSgt Tom Smith (Team Leader)
Phone: 2-2385/Fax: 2-1910

Team 4 Tenant (Partner) Unit Support LGCBC

TSgt Gerome Jordan (Team Leader)
Phone: 2-2357/Fax: 2-1911

PLANS AND PROGRAMS FLIGHT LGCP

Herbert Suber (Flight Chief)

Phone: 2-1235/Fax: 2-1270

SPS/BCAS LGCPA

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Team Leader

Phone: 2-1241/Fax: 2-1913

IMPAC LGCPB

Penny Messina

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QAEPC LGC

Michael Coleman

Phone: 2-7342/Fax: 2-1270

1.2 FLIGHT RESPONSIBILITIES

INFRASTRUCTURE & ACQUISITION FLIGHT: Responsible for the purchase and administration of all orders and contracts through design (Architect and Engineering), delivery or completion, and final payment. This flight is tasked with contracts for the construction of new buildings, repair of existing facilities, maintenance of the runway and renovation projects. Contractors with questions regarding processes, delays, changed conditions, labor, strikes, payments, specifications, drawings, etc., should direct their inquiries to the contract administrator assigned to their contract.

BASE SUPPORT & ACQUISITION FLIGHT: Responsible for all complex service contracts (grounds maintenance, family housing maintenance, refuse, audio visual, cable TV) commodities, carpet installation, preventive maintenance agreements, and supply-type items that cannot be acquired through regular sources of supply, the IMPAC program, or high priority items which are required to keep the mission going.

PLANS AND PROGRAMS FLIGHT: Responsible for maintaining our automated computer system and local area network, provides management analysis and metrics, and manages the International Merchant Purchase Authorization Card (IMPAC), and Quality Assurance Programs.

PART 2 - GENERAL

2.1 DEFINITIONS

AGENT - Within the federal government, anyone who is empowered to act for the government is a government agent. An agent's authority is always limited. For example, a government employee authorized to inspect and accept supplies or services for the government is an agent; however, the individual's authority is limited solely to inspecting and accepting or completing a discrepancy report for supplies or services properly purchased by another agent who has the authority to purchase. The only agent authorized to obligate the government to pay for supplies or services from a civilian source is a warranted contracting officer, an IMPAC card holder or an individual given specific written permission to order from pre-priced instruments, i.e., Blanket Purchase Agreement (BPA) or General Service Administration (GSA) Schedule.

BUSINESS REQUIREMENTS AND ADVISORY GROUP (BRAG) – Customer-focused multifunctional team instituted under the authority of the installation commander and established by the contracting squadron commander to plan and manage service contracts throughout the life of the requirement.

CHANGES - (FAR Part 43) The authority to issue a change must be based on a clause contained in the contract or by mutual consent of contracting parties. **Only a contracting officer has the authority to issue a change.**

COMPETITIVE PROPOSALS - Competitive proposals simply allow further discussion and revision of offers after receiving and opening the proposals.

CONSTRUCTION CONTRACT INSPECTOR (CCI) - A technical expert assigned on construction contracts to assist and advise the contracting officer concerning the technical aspects of the contract. They are not authorized to direct the contractor to take any action, which would affect the terms, conditions, or price of a contract.

CONTRACT - A general term used to describe all types of agreements and orders which obligate two or more parties to a course of action that would be recognized as a legal obligation by a court of law.

CONTRACTING OFFICER - (FAR Part 1.6) An individual appointed in writing by an authorized representative of the United States government to enter into, administer, and terminate contracts on behalf of the United States of America.

CONTRACTING OFFICER'S REPRESENTATIVE (COR) - An individual designated and authorized in writing by the contracting officer to perform specific technical or administrative functions. CORs are not authorized to direct the contractor to take any action, which would affect the terms, conditions, or price of a contract.

FUNCTIONAL DIRECTORS - Are customers within the using organization who are responsible for assigning competent and capable functional experts and nominating primary and alternate Quality Assurance Personnel (QAP). They also interface with the contract administrators.

INTERNATIONAL MERCHANT PURCHASE AUTHORIZATION CARD (IMPAC) - A purchase card, similar in nature to a commercial credit card, issued to authorized agency officials for their use in acquiring supplies and services.

LOW PRICE TECHNICALLY ACCEPTABLE – When an award will be made on the basis of the lowest evaluated price meeting or exceeding the acceptability standards for non-cost technical factors.

MARKET RESEARCH - The process of collecting and analyzing information about capabilities within the market to satisfy agency needs.

MICRO-PURCHASES - An acquisition of supplies or services (except construction), the aggregate amount of which does not exceed \$2,500. Micro-purchases for construction are limited to \$2,000. Micro-purchase threshold means \$2,500. All purchases under \$2,500 will be accomplished via the IMPAC card.

NONRATIFIABLE COMMITMENTS – Unauthorized purchases that are not ratifiable may be subject to resolution as recommended by the General Accounting Office under its claim procedure against the party procuring items or service without authority. See para 2.6 below.

PAST PERFORMANCE PRICE TRADE-OFF – When an award will be made on the basis of a trade-off between the best past performance and the best price, with an analysis being performed by the Contracting Officer and the customer. This type of contract may include technical data and the prospective offerors are rated on a pass/fail basis.

PERFORMANCE-PRICE TRADE-OFF (PPT) – A simplified best value source selection strategy that permits a trade-off between price and performance in reaching the award decision. It applies to both commercial and non-commercial acquisitions.

PURCHASE ORDER - A simplified contract of \$100,000 or less, or an acquisition of less than \$5 million for commercial items. This is a unilateral document signed only by a contracting officer and no contractual agreement is in effect until the vendor takes action to fill the order.

PURCHASE REQUEST - AF Form 9, Request for Purchase, or DD Form 1348-6, Computer Generated Request for Purchase, or DD Form 448, Military Interdepartmental Purchase Request (MIPR), comprise the initial request for any purchase action. A purchase request with a certification of funds availability must be on-hand before any buying action can be initiated by a contracting officer.

QUALITY ASSURANCE (QA) PERSONNEL - A technical expert assigned on particular contracts to assist and advise the contracting officer concerning the technical aspects of the contract. Their primary function is to inspect the contractor's performance for compliance with the contract and to receive services. QA personnel are not authorized to direct the contractor to take any action which would affect the terms and conditions, or price of a contract.

QUALITY ASSURANCE PROGRAM COORDINATOR (QAPC) - The individual designated by the contracting squadron commander to manage the installation QA program and train QA personnel and Functional Directors/Commanders. This individual will also help the customer develop the SOW and QASP requirements.

QUALITY ASSURANCE SURVEILLANCE PLAN (QASP) - A document specifying the surveillance methodology to be used for surveillance of contractor performance. This document shall be submitted in writing on each service contract following contractor selection and prior to contract performance. The purpose of the plan is to determine how inspection and acceptance of services are to occur.

RATIFICATION – The act of approving an unauthorized commitment by an official who has the authority to do so. See para 2.6 below.

REQUEST FOR PROPOSAL (RFP) (FAR Part 15) - A document issued to solicit offers for a negotiated procurement over \$100,000 (\$2,000 for construction), or the acquisition of certain commercial items with a value greater than \$5 million. This document allows discussion with contractors after receipt of offers.

SPECIFICATION – A document that describes the work required on a construction project to include materials required.

STATEMENT OF WORK - A document that accurately describes a service requirement in terms of output requirements and the required quality level or standard of acceptable performance of outputs.

SIMPLIFIED ACQUISITIONS (FAR Part 13):

(1) Contracting regulations permit purchases of \$100,000 (\$2,000 for construction) or less, or certain commercial items less than \$5 million, to be negotiated. In consideration of the large volume of simplified acquisitions by the military departments, special procedures are authorized to cut the paperwork and red tape.

(2) Competition is obtained both by oral and written means. Micro-purchases of \$2,500 or less may be awarded without soliciting competitive quotations if the contracting officer determines that the price is reasonable. Micro-purchases shall be distributed equitably among qualified suppliers. Requiring activities may suggest sources to contracting. However, the final responsibility rests with the contracting officer.

STATEMENT OF OBJECTIVES – A concise document that describes a service requirement in terms of output requirements and the required quality level or standard of acceptability of those outputs.

STATEMENT OF NEED – A concise document describing a supply/service requirement in terms of output requirements and the required quality level or standard of acceptable performance of those outputs.

2.2 FEDERAL ACQUISITION REGULATION - The Federal Acquisition Regulation (FAR) was created to implement the Office of Federal Procurement Policy Act of 1974 as amended by Public Law 96-83. As such, the FAR and amendments thereto carry the same force as Federal Law and require compliance by all individuals. It should also be pointed out that although FAR is the principal directive, there are other statutes governing federal contracts. Further, Executive Orders, Office of Management and Budget (OMB) circulars, and judicial decisions have a pronounced impact on the contracting process.

2.3 DEVIATIONS (FAR 1.4) - Contracting officers are strictly prohibited from deviating from the requirements of contracting directives without compelling reasons. If you must request a deviation, then furnish written facts upon which the contracting officer may request a deviation.

2.4 WHO CAN OBLIGATE THE GOVERNMENT - Only those persons duly appointed in writing as contracting officers are authorized to issue contracts, or otherwise obligate the government, for the purchase of supplies or services and to make changes to such contracts.

2.5 CONTRACTING RELATIONSHIPS - The contracting activity does not establish quantities or types of supplies or services to be purchased. This is a responsibility of the requiring activity. The standards, quality, statement of work/specifications, or designs desired are provided by the requiring activity to the contracting office. The functional responsibilities of the contracting office are to buy the supplies, construction projects or services, determine the method of purchase, selection of source, type of contract, and reasonableness of price. Some functions of others are:

a. **Staff Judge Advocate (Local)** - Provides advice and counsel regarding legal aspects of contracts. This is a valued advisory service.

b. **Accounting and Finance Officer** - Accounts for funds expended and insures they are charged to the proper organization. Provides certification of funds on AF Form 9s, AF Form 616s and other funding documents and makes payments on submission of invoices from suppliers for supplies or services rendered and on properly prepared receiving reports.

c. **Requiring Agencies** - These are the customers of the contracting organization. The majority of demands upon contracting come from the base supply officer and base civil engineer. The requesting agency is responsible for providing specifications, and usually furnishes inspection services or obtains them from other base activities possessing such capability.

2.6 UNAUTHORIZED PURCHASES:

a. What is an unauthorized purchasing action? It is action taken by anyone, other than a designated contracting officer, which obligates the U.S. government to pay for supplies or services received. Rank or position of an individual does not make a contracting officer. All contracting officers are required by federal law to be designated in writing and are required to produce this written evidence whenever their authority to obligate the U.S. government is questioned.

b. An unauthorized purchase action can be paid by the government only if it is an otherwise legal transaction which is reviewed by a contracting officer and legal officer and ratified by the head of contracting activity at the appropriate major air command. Besides affording the individual involved a great deal of adverse exposure, such actions waste many productive man-hours and delay payment of government obligations. It may also result in disciplinary action being taken against the offending individual, which may include payment of the obligation. No transaction will be ratified that would not otherwise have been valid if made by a properly authorized contracting officer. Unauthorized acts include, but are not limited to:

(1) Making changes to valid existing orders and contracts, such as directing contractor personnel to change the conduct of their work while they are performing various services or construction contracts,

(2) Ordering of supplies or services. Implicit in this is the prohibition to purchase supplies or services with personal funds with the expectation of reimbursement by appropriated funds.

c. If you should become involved, directly or indirectly, in an unauthorized purchase action, you should immediately contact the contracting office to begin appropriate action in accordance with the FAR and its supplements, Part 1.602-3.

2.7 CODE OF CONDUCT--ETHICS - DOD 5500.7R and FAR Part 3 provide detailed guidance on what is expected of all Air Force personnel. Acceptance of gifts or favors from vendors may be subject to criminal penalties if that person accepts, solicits, or agrees to accept anything of value in return for performing or refraining from performing an official act. Whenever a gratuity is delivered to you (i.e., left on your desk, front porch, or in your car, etc.) if you can return it - DO SO! If not, turn it over to your supervisor. Whenever you are in doubt, call the contracting office or consult the base legal office.

2.8 AUTHORIZED CONTACT WITH VENDORS OR CONTRACTORS (MARKET RESEARCH) - Customers can now directly contact contractors concerning market research. Market research can be conducted by both the customer and contracting before developing new requirements and before soliciting offers for an acquisition. Market research is conducted to determine if a commercial item is available to meet the government's needs. Market research involves obtaining information specific to the item being acquired and should include the items listed in FAR 10.002 (b) (1). **Reminder – Do not obligate the government in any way which includes a promise to purchase an item or a potential contract to the contractor.** Any help in determining appropriate market research should be addressed to the contracting office.

2.9 PROHIBITION AGAINST VOLUNTARY SERVICES - While there are public spirited individuals and firms who would freely donate their services to assist the government without reward or compensation, there are also individuals and firms who in donating services would do so with the expectation of reciprocity in the form of possible preferential treatment, advance contracting knowledge, influencing specifications, etc. To preclude such situations from arising in the government, legislation has been passed prohibiting officers and employees from accepting voluntary services and imposing stern penalties against those found in violation of the Voluntary Services Act - 31 U.S.C. 665(b).

2.10 FRAUD, WASTE, AND ABUSE - Detecting and preventing fraud, waste, and abuse is a personal responsibility. The Air Force clearly cannot afford fraud, waste, and abuse in accomplishing its contracting function. Report all suspected fraud, waste, and abuse to your immediate supervisor and/or commander.

2.11 ON-BASE PRODUCT DEMONSTRATIONS - The contracting office is responsible for controlling all on-base demonstrations by vendors, specifically for the 89th Airlift Wing. Approval by the contracting office is required in advance and is not automatic. Common items such as word processors, dictation equipment and copiers which are already available on base and do not involve new technology will not be approved. Prior to any demonstration, a Hold Harmless Agreement should be signed and be on file at the 89th Contracting Squadron. Organizational requests for such demonstrations which are approved will be on a competitive basis, that is, the requester cannot selectively accept one and reject competing product demonstrations. Requests by vendors wishing to demonstrate products will not normally be referred to on-base activities.

2.12 ADVOCATES OF COMPETITION - The purpose of establishing advocates for competition is to eliminate unnecessary noncompetitive procurements in the early stages of the acquisition planning. Each requirement submitted requesting sole source or "other-than-full-and-open-competition" shall be accompanied by a statement of facts and rationale for unusual and compelling urgency in accordance with FAR 6.302, 6.303-2, and 6.304 (over \$100,000) and FAR Part 13 (under \$100,000). Approval may be made when obtaining competition would unreasonably delay the acquisition.

PART 3 - PROCUREMENT INTEGRITY

3.1 PROCUREMENT INTEGRITY - Procurement integrity is not something which applies to just the

personnel in the contracting office, but to ANYONE participating personally and substantially in a federal agency procurement which means active and significant involvement of the individual in any of the following activities directly related to a procurement in excess of \$10 million:

- Drafting, reviewing, or approving the specifications or statement of work for the procurement;
- Preparing or developing the solicitation (PWS or SOW);
- Evaluating bids or proposals, or selecting a source;
- Negotiating price or terms and conditions of the contract;
- Reviewing and approving the award of the contract or contract modification.

3.1.1 FAR Part 3.104 imposes restrictions on both obtaining and disclosing certain information obtained during the conduct of a competitive procurement, except as provided by law. It requires certain agency officials involved in a procurement to take definite actions when contacting or being contacted by offerors regarding non-Federal employment. Also, it prohibits a former official's acceptance of compensation from a contractor if the former official either served in an identified position or made certain contract decisions involving more than \$10 million to that contractor. Some of the post-employment restrictions apply to post-award activities. Contacts through an agent or other intermediary of an agency official or of a bidder or offeror may be considered a contact and require the agency official to disqualify himself or herself from the procurement. The agency may take appropriate administrative action when any agency official's contact with a bidder or offeror regarding post-Federal employment interferes with the official's ability to perform assigned duties, and makes specific reference to the criminal and civil penalties which may result from violations of the prohibitions and requirements of the Act.

3.1.2 FAR 3.104-4(a)(1) states the following: "A person described in paragraph (a)(2) of this subsection shall not, other than as provided by law, knowingly disclose contractor bid or proposal information or source selection information before the award of a Federal agency procurement contract to which the information relates. (See 3.104-5(a).)"

3.1.3 FAR 3.104-4(a)(2) states the following: "Paragraph (a)(1) of this subsection applies to any person who (i) Is a present or former official of the United States, or a person who is acting or has acted for or on behalf of, or who is advising or has advised the United States with respect to a federal agency procurement; and (ii) By virtue of that office, employment, or relationship, has or had access to contractor bid or proposal information or source selection information."

3.1.4 FAR 3.104-5(a) states the following: "Except as specifically provided for in this subsection, no person or other entity may disclose contractor bid or proposal information or source selection information to any person other than a person authorized, in accordance with applicable agency regulations or procedures, by the head of the agency or designee, or the contracting officer, to receive such information."

PART 4 - POLICIES

4.1 GENERAL – The 89th Contracting Squadron is responsible for all actions in support of the Local Purchase Program described in AFI 64-109. The 89th Contracting Squadron supplements the normal logistical system by purchasing all supplies and services which are not prescribed for supply by another source. In this regard, you might think of local purchase as being the last means of supply, with such agencies as supply depots being the primary source.

4.2 HOW TO OBTAIN LOCAL PURCHASE SUPPORT - The first thing you should do is determine which base activity is the office of primary responsibility (OPR) for your particular need (Supply, Civil Engineer, Photo Lab, Services, etc). Then request support from that office instead of the 89th Contracting Squadron. If the OPR cannot satisfy your requirement, they will request local purchase support. The reason for this procedure is simple. The OPR knows the correct supply source and may well satisfy your requirement in-house or through established sources other than local purchase. This procedure applies to services, as well

as durable goods. If in doubt, contact the 89th Contracting Squadron. If you happen to be the OPR, you should refer to Part 5 of this handbook.

4.3 REQUIRED CONTRACT LEAD TIME:

a. Contract lead time is defined as the time required by the contracting officer to prepare a Request for Proposal (RFP) and award the resulting contract, after a properly prepared purchase request and other applicable documents are received by the 89th Contracting Squadron. Time is counted from receipt of the purchase request to contract award date and not from the purchase request date to receipt of material/services. The following lead times for formal supplies/services and construction are provided as a guide:

RANGE	
Milestone	Negotiation
Pre-Solicitation	30 - 60 days
Solicitation	30 - 45 days
Evaluation/Award	<u>50 - 95 days</u>
Total	120 - 200 days
Source Selection	200 days

b. All recurring requirements for annual contracts, regardless of dollar value, must be received by the 89th Contracting Squadron no less than 120 days before the required start date of the contract. Some acquisitions may require longer lead times; therefore, the requiring activity should ensure development of appropriate lead times for these recurring requirements, i.e., source selections. Source selections are very complex and time consuming, so plan your actions accordingly.

c. No action toward requirements will be initiated by contracting activities regardless of the dollar amount, unless the purchase request is either funded, conditioned upon availability of funds, or contains a certification by the accounting and finance office that funds will be available.

4.4. SUBMISSION OF CONTRACT REQUIREMENTS:

a. The 89th Contracting Squadron is responsible for providing timely support to its customers. In order to ensure that requirements are placed on contract/order and to preclude backlog at the end of the year, the following guidelines have been established for cut off dates for submission of forms and a complete acquisition package:

1. Construction Requirements:

- (a) Up to and including \$100,000 - 3 Jul
- (b) \$100,001 to \$2,000,000 - 1 Jun
- (c) Over \$2,000,000 - 4 May
- (d) SABER \$2,000 - \$500,000 - 7 Sep

2. Service Requirements:

- (a) Yearly recurring rental services and preventive maintenance agreements - 1 Jun
- (b) One-time contract repair services - 10 Aug
- (c) Other one-time services up to and including \$100,000 - 10 Aug
- (d) All other services \$100,001 to \$2,000,000 - 27 Apr; over \$2,000,000 - 13 Apr

3. Commodities Requirements:

- (a) Up to and including \$100,000 - 4 Sep
- (b) \$100,001 to \$2,000,000 - 1 Jun
- (c) Over \$2,000,000 - 4 May

b. AF Form 9s must be accompanied by all documentation required: specifications, Statement of Work, QA designation letter, Quality Assurance Plan (QAP), QAE checklist, sample of bid schedule, DD Form 1423, DD 254, evaluation criteria, detailed evaluation plan, sole source documentation, Advisory and Assistance Services (A&AS) approval, Delegation of Procurement Authority (DPA), AF Form 3052 or any other Independent government estimate document, etc.

4.5 FOUR BASIC METHODS OF CONTRACTING - Purchases fall into four broad categories: (1) simplified acquisitions, (2) formal contracts, (3) orders under existing contracts and (4) micro-purchases (IMPAC usage). A discussion of each follows:

a. Simplified Acquisitions:

(1) A simplified acquisition is a buy of over \$2,500 to \$100,000, or the acquisition of certain commercial items with a value less than \$5 million, and generally requires the solicitation of two or more price quotations. The quotes are then evaluated and award made to the offeror whose quote is in the best interest of the government when price, delivery and other factors are considered. The use of firm product/service specifications when soliciting prices dictates that the lowest quote is usually the most advantageous. The actual purchase is effected via use of a "Purchase Order." Simplified acquisitions are always negotiated and afford minimal lead time and administrative cost.

(2) Simplified acquisition customer administrative lead time (CALT) standards vary from 1 to 30 days depending on the priority of the purchase requisition:

Supplies:

- Priorities 01-03 - Buyers have 6 days to purchase the requirement.
- Priorities 04-08 - Buyers have 9 days to purchase the requirement.
- Priorities 09-15 - Buyers have 30 days to purchase the requirement.

Services:

- Priorities 01-03 - Buyers have 10 days to purchase the requirement.
- Priorities 04-08 - Buyers have 14 days to purchase the requirement.
- Priorities 09-15 - Buyers have 30 days to purchase the requirement.

b. Formal Contracts:

(1) Requires, with certain limited exceptions, that contracting officers shall promote and provide for full and open competition in soliciting offers and awarding government contracts that are over \$100,000 (\$2,000 for construction), or the acquisition of certain commercial items with a value greater than \$5 million. As outlined in FAR 6.302, there are only seven exceptions to obtaining full and open competition. Unless one of these exceptions is met, full and open competition must be obtained either by sealed bidding or competitive proposal. The main difference between sealed bidding and competitive proposal is that competitive proposal allows discussion; whereas bids received as a result of sealed bidding must be accepted or rejected without discussion or change.

(2) Formal contracts CALT Standards vary from 84 to 200 days depending on the priority of the purchase requisition.

c. Orders Under Existing Contracts: The contracting office may issue delivery orders or task orders against already existing requirements or indefinite quantity contracts; e.g., GSA or other government

agencies. These are contracts written when the government cannot predetermine its precise needs. This allows us to place orders within the limits of the contract as the need arises.

d. **Micro purchases (IMPAC):** The IMPAC card must be used to purchase supplies, equipment, and non-personal services up to the micro-purchase level which is currently \$2,500 except for construction purchases must be under \$2,000. Above the micro-purchase limit, the card shall not be used except for a payment method on BPAs, Indefinite Delivery Indefinite Quantity (IDIQs), or other written agreements coordinated through contracting. This is the official government wide credit card. The IMPAC bears the cardholders name and may only be used by this individual to pay for authorized US Government purchases in compliance with the Federal Acquisition Regulation (FAR) and applicable USAF regulations and procedures. Guidance for the usage of the IMPAC card can be found under the United States Air Force Internal Procedures for Using the International Merchant Purchase Authorization Card (IMPAC) pending AFI 64-117. For further information on the IMPAC, contact the IMPAC Program Coordinator, Georgia Warder, at 2-1257.

4.6 URGENT/EMERGENCY REQUIREMENTS:

a. **During Duty Hours** - The 89th Contracting Squadron will give urgent/emergency requirements top priority. The initiating agency must hand-carry the request through supply or other required agencies to the contracting office with complete written justification for the urgency. The final decision to shorten the proposal time is the responsibility of the contracting officer. The individual who hand-carries a "walk-through" to contracting should be the person who will pick the item up from the supplier. This individual must be technically knowledgeable of the requirement. Requirements of a service or construction nature that are submitted as urgent/emergencies must be accompanied by a statement as to the basis of such determination. The statement must be signed by the squadron commander or his/her designated representative.

b. **During Non-Duty Hours** - If after-hours contracting is necessary, contact the SAM Command Post at 2-5058 who will then notify a contracting officer.

4.7 SOLICITATION OF PRICES FOR PLANNING OR INFORMATION PURPOSES - It is the general policy of the federal government to solicit proposals or quotations only where there is a definite intention to award a contract or order. Therefore, organizations/individuals must refrain from obtaining quotations or bids for the purpose of planning or estimating costs. A special procedure is available for use only by the 89th Contracting Squadron for this purpose. Contact the applicable contracting flight for assistance in this area.

4.8 DISCLOSURE OF GOVERNMENT ESTIMATES - Government cost estimates must be treated as confidential information FOR OFFICIAL USE ONLY. Such estimates will not be revealed to the public until after bid opening/award, and only then will the bottom line estimation be released to the public. Disclosure of government estimates puts the government at a disadvantage in dealing with proposed contractors and gives those who have received the information an unfair advantage over others competing for the same work.

4.9 CONTRACTS BETWEEN THE GOVERNMENT AND ITS EMPLOYEES - In accordance with FAR 3.6, contracts between the government and its employees are prohibited, except for the most compelling reasons; i.e., where the needs of the government cannot reasonably be otherwise satisfied. When a contracting officer has reason to believe an exception exists, approval may be requested from the head of the contracting activity, 89th Contracting Squadron. Complete, written justification is required from the requesting activity.

4.10 ADVANCE CONTRACTING PLANNING (ACP) PROGRAM - The purpose of this program is to assist contracting customers in planning for maximum contracting lead time on normal recurring requirements. The customer is notified by letter well in advance of required lead time so that a purchase request may be forwarded to the 89th Contracting Squadron to ensure no lapse in service. The customer is required to acknowledge the notification letter and forward the purchase request by the stated date. This program in no way relieves the customer from the ultimate responsibility for being aware of required contracting lead times

and ensuring that a purchase request is forwarded in sufficient time for a contract to be awarded prior to the expiration of the existing contract.

4.11 MODIFICATIONS TO EXISTING CONTRACTS:

a. Modifications may be needed to correct deficiencies in designs, specifications, statements of work, changed conditions or unforeseeable problems.

b. To effect a modification, the request must be in writing, giving a full explanation of what is involved in the change and why it is required. This information is required by the contracting officer to make a determination as to whether or not the change is "within the scope" of the contract. The above information must be provided with a purchase request, a cost estimate breakdown, and revised drawings or specifications, if required.

c. The cost estimate breakdown must be furnished to the contracting officer for increased, decreased or no-cost changes, as it is an essential tool for negotiating with the contractor to effect the modifications. Every modification must have sufficient back-up data to stand alone as if it were a contract in itself, because in a court of law, a modification is considered on its individual merits.

4.12 SMALL BUSINESS PROGRAM - It is the policy of the government to place a fair proportion of its acquisitions, including contracts and subcontracts for operational and specialized contracting, with small business concerns and small disadvantaged business concerns. Such concerns shall also have the maximum practicable opportunity to participate as subcontractors in the contracts awarded by the 89th Contracting Squadron. The Small Business Administration (SBA) counsels and assists small business concerns and contracting personnel to ensure that a fair proportion of contracts for supplies and services are placed with small business. Additionally, under the Small Business Administration (SBA) 8(a) program, the Department of Defense has the authority to contract directly with small businesses for supplies, services and construction projects through a memorandum of understanding. The 89th Contracting Squadron's Small Business Specialist, Mr. Greg Cate, is the primary focal point for interface with the SBA. The Small Business Administration locates one of its 8(a) contractors and designates him/her to negotiate with the government for a subsequent award. However, in accordance with FAR 19.805-1, if the acquisition is over \$3,000,000, the requirements are advertised in the Commerce Business Daily (CBD) for 8(a) competition. Our Small Business Program is a multipronged effort that is geared toward placing as many of our contracting dollars as possible with small and disadvantaged business concerns. We make a concerted effort to identify potential 8(a) projects in coordination with all 89th Airlift Wing and Air Force customers.

4.13 QUALITY ASSURANCE PROGRAM - Quality control and quality assurance practices used in the commercial marketplace should be adopted in government service contracts. Quality Assurance personnel are nominated and appointed in writing by your functional director or commander. Quality Assurance personnel will receive special training and instructions from the Quality Assurance Program Coordinator, Mr. Michael Coleman, and the Contracting Officer prior to execution of duties. In addition, the contractor will be notified who you are and your limitations on inspection procedures. Primarily, the QA Program is used for service contracts that are recurring and continuous in nature, and are worth over \$100,000 per year. As a QA, you are the "eyes and ears" of the contracting officer. You will report regularly on your observations and the contracting officer will rely on your observations/inspections concerning contractor performance. Objectives in quality assurance include:

a. Functional Director or Functional Commander Duties -

1. Assign competent and capable functional experts to the BRAG who will be available full time or as warranted by the procurement cycle.

2. Primary responsibility for development of the SOW and the QAP.

3. Responsible for the overall inspection of contract performance to include partnering between

contractors, QA personnel, and contracting.

b. QA Duties –

1. Evaluate and document contractor's performance in accordance with the Quality Assurance Surveillance Plan.
2. Notify the Contracting Officer of any significant performance deficiencies.
3. Maintain surveillance documentation.
4. Recommend improvements to the Quality Assurance Surveillance Plan and Statement of Work throughout the life of the contract.

c. Quality Assurance Surveillance Plan - The purpose of a QASP is to provide a planned process for inspecting the contractor's actual performance and comparing that performance against the contractual requirements to determine conformity with the technical requirements of the contract. The QAPC will advise and assist the customer in writing the QASP and it must be approved by the contracting officer before the QA can begin surveillance on the contract. The QASP shall include a performance measurement and this measurement includes:

1. Focus on critical success factors; reflect benchmark contractor performance.
2. Allow for continuous improvement in performance.
3. Align contractor performance with installation business objectives.
4. Use commercial standards when available.

d. Statement of Work/Statement of Objectives/Statement of Need (SOW/SOO/SON) - A SOW/SOO/SON shall be developed tailoring it to the best interests of the installation. Methods of developing a SOW/SOO/SON are open, flexible and geared to commercial practices. The uniform contract format for service contracts must be used but can be tailored as needed to fit individual mission as each base dictates. Checklist format SOW may be used for small dollar services such as elevator maintenance, refuse and recycling, etc. Good examples of performance based requirements for SOWs/SOOs/SONs can be found on the Internet. Contact the QAPC for Internet sources for examples. SOW format shall include as a minimum:

1. Description of services.
2. Service delivery summary that cites performance objective (service required), SOW paragraph reference, and performance threshold (specific standard).
3. Government furnished property and services.
4. General information.
5. One or more Appendices.

e. QA Training – QA personnel shall receive both Phase I and Phase II training sequentially and must be completed prior to performing contract inspections. Phase I training is accomplished by the QAPC and consists of a general overview of the duties and responsibilities of QA personnel. Phase II training is conducted by the contract administrator and consists of contract specific information.

1. How to develop performance based technical requirements documents to include safety

requirements.

2. Contract surveillance techniques.
3. How each section of the contract is formatted.
4. Areas in the contract that potentially would be susceptible to fraud.
5. How to properly certify acceptance of services.
6. Maintenance and submission of all QAE documentation.

4.14 CUSTOMER ASSISTANCE - Listed below are several ways you as a customer can assist us in support of your requirements.

a. **UTILIZING THE ITEM LISTING** - This listing comes in three parts. Part I is by stock number sequence; Part II is by part number sequence; and Part III is by nomenclature. So there are three ways a customer can research to see if an item has been previously bought. Researching the item listing which is available at base supply as well as in the contracting office could result in savings of buying time, thus speeding up your delivery of needed supplies.

b. **DD 1348-6** - Ensure you complete the DD 1348-6 as accurately as possible, listing all available information such as part number, manufacturer, end item, etc. Print or type clearly and neatly. Valuable time is lost in returning inadequate or unreadable requisitions.

c. **AF Form 9** - A funding document prepared by the requiring activity to request a contractual action. A contracting action cannot begin until the funding document has been received.

d. **ADVANCE PLANNING** - Proper planning for future requirements can result in a savings of time and money. Assigning all requisitions a priority designator is not a guarantee that the item will arrive on time, since a high priority rate could result in a backlog of priority buys. With proper planning, your routine requisitions can be bought and delivered in a timely manner, with a savings of your unit dollars. Routine requisitions allow the contracting office to solicit competitive pricing from several vendors to compete for the items, which generally means lower prices and eliminates costs associated with priority procurements.

4.15 SIMPLIFIED ACQUISITION (\$2,500-\$100,000) SOLE SOURCE ACQUISITIONS - (FAR Part 13) - A sole source acquisition is any acquisition where only one source is to be solicited. Contracting without providing for full and open competition shall not be justified on the basis of: (1) a lack of advance planning by the requiring activity; or (2) concerns related to the amount of funds available (i.e., funds will expire) to the agency or activity for the acquisition of supplies or services. Some of the factors which might rationally justify a sole source acquisition are (1) lack of or unsuitability of re-procurement data, (2) the determination that only a single contractor has the capability to provide the supplies/services within a specified period of time, (3) a determination that for configuration management/control purposes, only a single contractor's item of supply is acceptable, (4) a determination that only one contractor possesses the unique capability (for example, technical knowledge, manufacturing processes, special tooling or test equipment) to provide the supplies/services.

a. You as the requiring activity are required to submit along with the requisition, a sole source justification in accordance with FAR Part 13 on any procurement which is expected to exceed \$2,500. The sole source justification should contain as a minimum the following information:

1. A brief non-technical description of the supplies/services to be acquired, including statements as to the general application and particular significance/specialized character of the requirement.
2. A clear concise statement regarding the circumstances surrounding the sole source position

of the contractor. For example:

(a) If urgency is cited as a circumstance requiring sole source acquisition, specifically explain the time constraint (mandated by law, Congressional requirement, or national defense) and why only one contractor can meet the requirement.

(b) Cite specific data required in the performance of the contract that is only available to one contractor and the significance of this data to the acquisition. The mere statement that proprietary data exists is not adequate.

(c) Cite the unique capabilities required for performance that are possessed by only one contractor. State the reasons why no other contractor has or can obtain these capabilities and why they are essential for contract performance.

(d) Other reasons, which cannot practically be avoided, for the exclusion of other potential sources.

3. A concluding statement that the proposed sole source is the only known source that can satisfy the government's requirement. Statements such as 'No other sources are considered qualified' or 'The XYZ Company is considered best qualified' shall not be considered a basis for sole source justification.

4. Actions to be taken by the requiring activity to preclude the necessity for future sole source acquisitions of the same supply/service.

5. Last line will contain: "I certify that the information contained in this justification is accurate and complete" and signed by your squadron commander.

b. You should remember though that the procuring contracting officer, and not the requiring activity, is the final authority for determining the adequacy of any sole source justification prior to contract placement.

4.16 OTHER THAN FULL AND OPEN COMPETITION ACQUISITIONS OVER \$100,000 - FAR Part 6.1 provides that contracting officers shall provide for full and open competition through the use of competitive procedures and allow all responsible sources to compete.

a. In the event that competition must be limited to one, two, five, etc., the Competition in Contracting Act (Title VII of the Deficit Reduction Act) mandates that it be justified in accordance with one of the following seven exceptions:

1. 6.302-1 - Only one responsible source.

2. 6.302-2 - Unusual and compelling urgency.

3. 6.302-3 - Industrial mobilization; or engineering, developmental or research capability.

4. 6.302-4 - International agreement.

5. 6.302-5 - Authorized or required by statute.

6. 6.302-6 - National security.

7. 6.302-7 - Public interest (This exception requires congressional notification not less than 30 days before award of the contract).

b. Each justification must be accompanied by the following information:

1. Identification of the agency and the contracting activity, and specific identification of the document as a "Justification for Other than Full and Open Competition."

2. Nature and/or description of the action being approved.

3. A description of the supplies or services required to meet the agency's needs (including the estimated value).

4. An identification of the statutory authority permitting other than full and open competition.

5. A demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited.

6. A description of efforts made to ensure that offers are solicited from as many potential sources as is practicable, including whether a Commerce Business Daily notice was or will be publicized as required by FAR Part 5.2 and, if not, which exception under FAR 5.202 applies.

7. A determination by the contracting officer that the anticipated cost to the government will be fair and reasonable.

8. A description of the market survey conducted (see FAR 7.102) and the results or a statement of the reasons a market survey was not conducted.

9. Any other facts supporting the use of other than full and open competition, such as:

(a) Explanation of why technical data packages, specifications, engineering descriptions, statements of work, or purchase descriptions suitable for full and open competition have not been developed or are not available.

(b) When 6.302-1 is cited for follow-on acquisitions as described in 6.302-1(a)(2)(ii), an estimate of the cost to the government that would be duplicated and how the estimate was derived.

(c) When 6.302-2 is cited, data, estimated cost, or other rationale as to the extent and nature of the harm to the government.

10. A listing of the sources, if any, that expressed, in writing, an interest in the acquisition.

11. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required.

12. Contracting officer certification that the justification is accurate and complete to the best of the contracting officer's knowledge and belief.

13. Technical/Requirements Personnel's Certification that the data provided is accurate and complete to the best of their knowledge and belief.

c. Each justification shall include evidence that any supporting data that is the responsibility of technical or requirements personnel (e.g., verifying the government's minimum needs or schedule requirements or other rationale for other than full and open competition) and which form a basis for the justification have been certified as complete and accurate by the technical or requirements personnel.

d. Contracting actions set aside for the 8(a) Program are excepted from the written procedure outlined in paragraphs 4.17b1 through 13 above.

e. The justification and review signature level is based upon the total dollar amount of the project.

4.17 REQUIRED SOURCES OF SUPPLIES - The DOD FAR Supplement, Part 8, specifically addresses required sources of supplies and further assigns certain federal stock classes to particular agencies for consolidated purchases for all DOD activities. This type of assignment is known as a "Coordinated Procurement." When a particular federal stock class is assigned to an agency for consolidated purchases, it then becomes a mandatory source of supply. Exceptions are as follows: (1) Small requirements below the minimum or requirements over the maximum specified in the contracts, or (2) Emergency, when the exigencies of the situation will not permit the delay incident to follow the normal channels of coordinated procurement. However, all emergencies must be fully justified. Replenishing stock would not fall under this type of emergency.

a. **Request for Waivers:** Waivers to locally purchased coordinated procurements which do not fall under the exceptions listed above must have prior coordination from the 89th Contracting Squadron; such waivers directly impact the contracting office since it is not manned to handle the added workload. Waivers must be fully justified and approval must be obtained from the assigned agency which has been given the responsibility to purchase.

b. **Purchase Authorization:** Under the coordinated procurement method, requiring departments send their requirements to acquiring departments on a DD Form 448, Military Interdepartmental Purchase Requests (MIPR), in accordance with DOD FAR Sup 8.7004 and 8.7005. Customers submitting MIPRs must provide all necessary plans, specifications, item descriptions, and whatever else is required to support the requirements of the contracting officer.

4.18 SOURCE SELECTION PROCEDURES: For competitive, negotiated acquisitions over \$5,000,000, AFFARS Appendix BB, streamlined source selection procedures may be used. Contact the appropriate flight and the contracting officer as soon as possible after you have identified the requirement to determine the most efficient and effective way to proceed with your acquisition. Discussing the source selection procedures early will save your time and effort. By preparing the statement of work/statement of objectives in conjunction with the source selection plan, you can save your organization weeks of effort.

PART 5 - PURCHASE REQUESTS

5.1 WHEN ARE PURCHASE REQUESTS REQUIRED? A purchase request constitutes administrative authority for effecting local purchase. It is required for any obligation of funds, whether a new contract or a change to an existing contract.

5.2 WHO INITIATES AND APPROVES PURCHASE REQUESTS? Those activities who are authorized to submit and/or approve purchase requests for requirements for which they are the respective OR (e.g., one customer may not request services/supplies for which another activity is responsible).

5.3 WHO MUST ENSURE AUTHORITY FOR LOCAL PURCHASES? The 89th Contracting Squadron does not share in the responsibility for erroneous/inadequate purchase authority. (Reference paragraph 4 of AFI 64-109.) It is wise for initiators of purchase requests to protect themselves as well as their commanders, by being certain that they have authority to obtain particular supplies or services by contractual means.

5.4 PURCHASE REQUESTS SUBMITTED? Instructions on how to complete an AF Form 9 can be found on our "Customer Support" web page by clicking on AF Form 9 Training.

5.5 SPECIFICATIONS AND DESCRIPTIONS - The primary difference between a specification and a description is the degree of detail. A specification is an in-depth explanation of the service or supply item by size, color, weight, material used in fabrication, etc. An item can be literally constructed based on the information in an adequate specification. A description on the other hand is a less involved explanation. It is written in simple language such as you would use in your own private purchases. A good rule of thumb when preparing either is to describe the requirement as though you are not going to receive any part of it you omit (because chances are you aren't)! Do this without the mention of a brand name or part number and

you are off to a good start. If you add a brand name it will be considered as a standard of quality only and "or equal" item might be bought. (See paragraph c below.)

a. **SPECIFICATIONS** - If you are requesting a supply or equipment item, the first order of business is to determine if a formal specification already exists. You can best do this by researching your own functional area directives (regulations, AFI/AFPDs, etc.) or consulting with the Base Supply Research Section. If no specification applies, or if you are requesting a service, you must prepare either a description or specification. Preference should be given to standard commercial items, whenever possible, if they meet your minimum needs, even if a specification is available.

b. **PURCHASE DESCRIPTIONS:**

1. A purchase description should be written in such a manner as to clearly describe the essential physical and functional characteristics of the item being procured. It should include as many of the following characteristics as necessary to express the minimum requirements of the government:

- (a) Kind of material.
- (b) Electrical data, if any.
- (c) Dimensions, in terms of minimums or maximums.
- (d) Principles of operation.
- (e) Restrictive or significant environmental conditions.
- (f) If part of an assembly, the location within the assembly.
- (g) Essential operating conditions.
- (h) Special features, if any.
- (i) Intended use.
- (j) Operation to be performed.
- (k) Equipment with which the item is to be used.
- (l) Other requirements (e.g., color), as appropriate.

2. As you can readily see, an adequate purchase description can easily be prepared. Labels, tags, etc., often contain considerable information from the manufacturer. However, if a description is not feasible, a less desirable alternative exists - "brand name or equal."

c. **BRAND NAME OR EQUAL DESCRIPTIONS** - Brand name "or equal" descriptions may be used only as a last resort for supplies/equipment, when it is otherwise not feasible to describe the requirement. One feature of this procedure must always be included; you must describe the salient characteristics of the item; i.e., the criteria any "equal" item must meet. Failure to do this will not only prohibit contracting from accepting your purchase request but may also subject you to having to accept a product you can't use. It is a long standing legal principle that a product must be accepted as "equal" if it performs the same general function as the brand name specified. As an example, a 20" Brand X lawnmower with a 2 H.P. engine must be accepted as an equal to a 22" Brand V lawnmower with a 3 H.P. engine unless you listed the 22" cut and 3 H.P. engine as salient (essential) characteristics.

d. **OVERLY RESTRICTIVE CHARACTERISTICS** - A description/specification that is too strict can be just as undesirable as the opposite extreme. Whenever possible, a description should allow tolerances; e.g., if an item is required to be not longer than a certain length due to space requirements you can state

"must not exceed __ feet in length." Likewise with other characteristics such as weight, size, etc.

e. **INADEQUATE SPECIFICATIONS/DESCRIPTIONS** - Careful screening of purchase request item descriptions by initiating authorities will preclude delays in contracting action. Poor descriptions and/or specifications contribute to misunderstandings between the government and the contractor and frequently lead to either inferior products or unnecessarily high prices, or both. Contracting officers are charged with the responsibility for reasonable prices to satisfy the government's minimum needs. Consequently, they are prohibited from accepting inadequate or overly restrictive descriptions/specifications.

5.6 DELIVERY TIME - If you are concerned with "stretching" the budget dollar, be certain to take a good look at the "Not Later Than" delivery date on purchase requests that pass over your desk for review, approval, or funding. Extremely short delivery requirements generally become excessively expensive purchases. First, there is insufficient time to contact the greatest number of qualified vendors and some of those contacted may not be able to meet the delivery terms. Second, short delivery requires priority performance of the contractor, which increases the price. Of course, another thing to consider is that short delivery requests get into line for action ahead of other requests and can delay other more important contracting actions. Therefore, careful planning should be given to your requirements and a realistic delivery date provided to the contracting office.

5.7 DOCUMENTATION WHICH MUST ACCOMPANY PURCHASE REQUESTS:

- a. **ALWAYS REQUIRED** - Purchase description or specifications. If already on a current contract, an abbreviated description with reference to the specific contract line item (by contract number, page number, etc.) will suffice. In accordance with Air Force FAR Supplement 5323.890-6, an Ozone Depleting Statement (ODS) must be included on AF Form 9s (See Attachment 1). In accordance with Air Force FAR Supplement 5323.890-3(c), contract modifications of a solely administrative nature or for funding actions do not require a statement that the government does not require ODS or a waiver approval. Note: If funds have been included in the financial plan for the next fiscal year, please annotate this on the purchase request.

b. **REQUIRED AS INDICATED:**

1. For Service Contracts over \$100,000:

- (a) Letter designating a Quality Assurance Evaluator (QAE) in accordance with AFI 63-124.
- (b) A detailed cost estimate breakdown.

2. For Construction Projects (Such projects are acceptable only from Civil Engineering):

- (a) Cost Breakdown (AF Form 3052).
- (b) Drawings/specifications.
- (c) Designation of project inspector and engineer.
- (d) Itemized cost breakdown supporting liquidated damages.
- (e) Classification of work for determining applicability of wage rates.

(f) Applicable schedules, i.e., Performance Requirements, Material Approval Submittals, Mandatory Verification Schedule, Material and Equipment Disposal Schedule, and relevant elements of work for past and present performance evaluation.

3. For Contract Repair Service Requirements - For other than common use items such as lawn care,

typewriters, calculators, etc., the following must either accompany or appear on the purchase requests:

(a) Whether or not a serviceable like item is available within the supply system.

(b) Whether or not in-house repair capability is available.

(c) The nature of the equipment malfunction which indicates a need for repair.

(d) Whether or not on-site repair is required. If so, state building number, room number, name and telephone number of contact point at the equipment location.

5.8 PURCHASE OF INFORMATION TECHNOLOGY (IT) EQUIPMENT:

a. Flight B has contracting authority for acquisition of IT systems, maintenance and purchase of IT supplies and services. IT is equipment that is classified in the 70XX Federal Stock Class/Group. An approved Computer Systems Requirements Document (CSRD), AF Form 3215, and a Delegation of Procurement Authority (DPA) must accompany each purchase request.

b. The following documentation is required for a complete IT acquisition package for a formal buy (over \$100,000):

1. Agency Procurement Request (required if sole source over \$250K or if competitive over \$10M, except for Single Agency Manager which is \$1M).

2. Indicate, if applicable, if buy is sole source 8(a) or preferred 8(a) nominee.

3. Original AF Form 9 with ODC statement (and funding commitment letter if requirement has option years).

4. AF Form 3215, CSRD (if applicable).

5. Copy of Technical Solution to include Requirements Analysis/Analysis of Alternatives.

6. If sole source, JRD/J&A w/signatures (Ref FAR Part 6), as required.

7. If Supply buy, brand name or equal, need salient characteristics of each item listed.

8. Independent Government Estimate (IGE) broken down by service category and sub-items, the quantity, unit, estimated unit price, and total amount for each item. Include any other anticipated costs such as travel and materials. The IGE must be signed and dated by the preparer. It should include a statement as to how it was developed/derived, e.g., market research, historical data of actual experience, etc.

9. Statement of Work with any sample tasks or formats, to include:

- Labor categories - state minimum personnel qualifications (as required).
- Other Direct Costs (ODCs), as applicable.
- Travel - state locations, number of trips, number of days, number of people, as required.
- DD Form 1423, CDRLs, deliverables, as applicable.
- DD Form 254, Contract Security Classification Specification, as applicable.
- Period of Performance - state how many years, e.g., base, plus (2) one year options.
- Place of Performance.
- Government Furnished Equipment (GFE) and state when it will be available. If the contractor is required to have equipment compatible with government equipment, identify the government equipment.
- Government Furnished Facilities.

10. Provide a list of recommended sources, as applicable.
11. If Hardware Maintenance Acquisition, provide applicable equipment list, to include the type of equipment, model number, serial number, description, quantity, and location of the equipment.
12. If Software Support (License Agreements), provide type of equipment, model number, serial number, description, and quantity of the equipment the software resides on; also, provide location of equipment.
13. Suggested Pre-proposal conference date, as applicable.
14. For follow-on efforts, contracts not awarded by 89 CONS, submit a copy of the previous contract and the POC's phone number.
15. Appointment letter of contracting officer's representative (COR). The COR functions as the eyes and ears of the contracting officer, monitoring the technical performance and reporting any potential or actual problems to the contracting officer. The COR will be required to obtain formal COR training and procurement integrity training. **Contact the QAEPC for COR training.**
16. State if this effort can be awarded based on technically acceptable approach/lowest price or does it require source selection processing (estimated value over \$5M). If a source selection procurement is required, provide the following: source selection plan, source selection standards/guide, name of source selection team members, and name of individual nominated for appointment as source selection authority.

PART 6 - CONTRACT ADMINISTRATION

6.1 INTRODUCTION - The contracting process does not end with the award of a contract, purchase order, or delivery order. All the effort spent in planning, describing, and funding your requirement could potentially go for naught without effective administration of the resultant contractual instrument. The role of contract administration is to complete the cycle and assure the customer's needs are, in fact, satisfied.

6.2 PRE-PERFORMANCE AND PRE-CONSTRUCTION CONFERENCES - Held on most construction and services contracts where work will be performed primarily on a government installation. The pre-con is held in one of two conference rooms in the 89th Contracting Squadron. The purpose of the conference is to acquaint the contractor and interested base personnel in various aspects of contract requirements, clauses, working conditions, storage areas, security, traffic, hauling routes, permits, CCI/QAE functions, and Department of Labor (DOL) requirements, etc. It is attended by contracting, the contractor and the subcontractors, the requesting activity (civil engineering, etc.), CCI/QAE, and other agencies such as security police, fire department, safety, DDR & DOL, etc.

6.3 SUPPLY/EQUIPMENT CONTRACT ADMINISTRATION - Follow-up action for delivery of items under supply/equipment contracts is performed by the SPS system for automated customers. All other customers are still under the follow-up "by exception" method; i.e., an item is considered received unless the contracting office is notified to the contrary. Written requests for follow up will only be accepted from non-automated customers. On contracts over \$100,000, such notification is required not later than the 6th calendar day after the scheduled contract completion date. This 6th day of notification is automatic for automated customers (e.g., base supply) but must be accomplished manually by all other customers. For non-automated customers, receipt of merchandise requires that a receiving report be forwarded to the Accounting and Finance Office to authorize contract payment. If the contract is on a SF 1449, "Solicitation/Contract/Order for Commercial Items", the blocks in the bottom left corner may be used as a receiving report. If a SF 1449 was not used then the DD Form 250 has to be used as the receiving report.

6.4 NON-PERSONAL SERVICES CONTRACT ADMINISTRATION - Examples of contracts in this category are custodial, maintenance, rental, refuse collection, packing and crating. With the exception of special

studies or analyses, services usually have no "end product." The contractor is given a task to complete without direct government supervision. Virtually all contracts and orders of this nature have an activity designated to receive services. If you're it, you have a big responsibility. Millions of dollars are spent each year on service contracts, and the services for each dollar are received by people in the field. As a representative of the contracting officer, it is your responsibility to ensure the contractor has provided not less than the minimum contract requirements. Any perceived deviations from the statement of work should be brought to the attention of the contracting officer by telephone and in writing. Do not attempt to interpret the statement of work for the contractor and do not direct changes or accept substitute performance. Contact the contracting officer. (See more discussion on changes below.) More than one person has cost the government (or themselves) money by making seemingly nonchalant remarks that caused the contractor to act outside the scope of the contract.

6.5 CONSTRUCTION CONTRACT ADMINISTRATION - Full administration is afforded construction contracts. As a "receiver" of these types of contracts, there are some essentials you should know:

a. Each contract is assigned a construction contract inspector (CCI) from the servicing civil engineering activity. These contracts have a pre-construction conference and work is not started until a notice to proceed is issued. This usually occurs within 30 days of award. This conference gives the government the opportunity to inform the contractor of his obligations (one more time), discuss safety and fire precautions, and generally get everyone organized for the start of work. This conference is not a place to decide how the work really should be done, that's all stated in the contract, but it is a time to review the terms, conditions and specifications to ensure everyone knows what is happening. The contract administrator chairs the meeting.

b. Each contract, regardless of value, has a designated CCI. The CCI's authority, similar to that of a QAE, is to observe and report. The CCI has no authority to interpret the specifications for the contractor, effect changes, or direct the contractor's employees; neither does the building occupant. They cannot stop the work nor accelerate it. Yet, the CCI is "cloaked in apparent authority" and the contractor may rely on a seemingly innocent action or suggestion and have cause to prosecute a claim against the government. The CCI must be acutely aware of their important, but tenuous position; occupants should be equally aware, and not expect more than the inspector's authority allows.

c. Changes are sometimes inevitable, but it's quite satisfying if they can be avoided. If the government team has taken all reasonable steps to describe and execute the project (large and small dollar value services, supplies, construction) chances are there will be no changes. If a change appears necessary, there are some principles you should know about:

1. Authority: Authority in government contracting to make changes is vested only in the contracting officer. The contracting officer is granted "actual" authority by virtue of the issuance of a warrant. To many contractors, other people in the contracting cycle (e.g., CCIs, QAE, users, or government employees) have "apparent" authority. Regardless of rank or organizational position, they have no real authority with respect to a contract, but contractors and vendors often think they do and will take advantage of them if they're not on guard. The best way to protect yourself and the government is to take no action, overt or covert, that would convey or imply an interpretation of the contract terms, conditions or specifications or give the impression that a change may be necessary. Such innocuous actions as suggesting a personal preference, or implying a higher authority has a different idea ("The colonel doesn't like green") could potentially subject the government to a claim based on the theory of a "constructive change." It may not be a valid claim, but it may take a bit of energy and research to sort it out. Avoid this circumstance and communicate with the contracting officer.

2. Why Change? There are many valid reasons for change. Believe it or not, each reason is described in the terms and conditions of every contract. The contracting officer is quite familiar with those terms and conditions, and therefore must be involved from the outset so that the method of handling the change affords maximum protection of the government's rights. Often, what would appear to be a change to the layman is actually already required of the contractor and can be directed by the contracting officer

without change. If the contracting officer is aware of the "problem" from the beginning, your time and effort may be minimized. The following is a brief summary of some legitimate reasons for change:

(a) Defective specification or description: Government provided specifications would not produce a desired end result.

(b) Differing site condition: A condition exists which was not reasonably expected by either party.

(c) Change of requirement:

(1) An uncontrollable event after award requires something different than originally conceived. If large in magnitude, we may terminate for convenience and start over.

(2) Method or manner of work performance does not suit government needs.

(3) Government furnished property or material has changed or is not available.

(4) Different method of packing or packaging desired, or changes in destination are required.

It is important to remember that even though these may be legitimate reasons for change, all changes are entitled to an equitable adjustment; i.e., the contractor has a right to claim monetary compensation. The government has an obligation to pay all reasonable costs, time and money, that result from changes. That is why only the contracting officer has the authority to implement the changes to a contract.

3. Procedure:

(a) The preferred method of effective change/modification is to settle all potential claims at the lowest level possible (between contracting, the customer, and the contractor) before the issue is elevated and goes to either the Armed Services Board of Contract Appeals or the Court of Federal Claims for settlement. To settle claims at the lowest level possible, the contracting officer needs a written request from the customer, an AF Form 9, and an Independent Government Cost Estimate so they can negotiate the contract changes in the government's best interest. Prior to effecting the change, the contractor will be asked to propose on the changed work.

(b) The customer/CCI will be asked to perform a technical review on the contractor's proposal. Negotiation may ensue until all parties agree on the terms, conditions, price, and adjustments that should be made. The result is a Supplemental Agreement/modification, which becomes part of the contract.

(c) The government does have unilateral rights to direct changes within the scope of the contract, and frequently exercises them through a change order when time does not permit a negotiated supplemental agreement. However, the contractor has the right to submit a claim against the government for costs incurred. Each change order is then definitized by a Supplemental Agreement. Negotiating the change as in paragraph (a) above is the preferred method. This allows us to establish and agree to a price before the contractor begins work. Once the contractor has started work, negotiations may be difficult and costly since the contractor usually has substantial leverage.

(d) Before a change order can be requested, funds have to be available. The following, as a minimum, shall be furnished when requesting a change:

(1) Funded AF Form 9.

(2) Revised specifications/drawings.

(3) Detailed AF Form 3052, Cost Estimate for Construction, or an Independent Government Cost Estimate detailing cost.

(4) Reason for change.

(5) Is the change within the scope of the changes clause? If not, give reasons why only the existing contractor can perform the change. Changes outside scope may require a new procurement action or a justification and approval in accordance with FAR Part 6. (See paragraph 4.17)

(6) Indicate how much additional time will be required to accomplish the change.

6.6 RECOURSE AGAINST THE UNSATISFACTORY CONTRACTOR - The contracting officer and/or contract administrator closely monitors all contractor progress/performance reports. In the event of unsatisfactory performance, several courses of action are available. Listed from least to most serious they are:

a. Contractor Discrepancy Report (CDR) - A CDR may be issued if the contractor has not resolved discrepancies according to contract/PWS/QAP requirements. A CDR can lead to a deduction in payment of services (for service contracts) or a poor past performance rating.

b. Initial Discussion - The contracting officer will normally conduct a discussion with the contractor in an attempt to resolve discrepancies in performance. These discussions are documented for possible later reference.

c. Cure Notice - Continued unsatisfactory performance may result in the contracting officer issuing a "cure" notice. This notice itemizes the unsatisfactory performance areas and prescribes a fixed number of days (cannot be less than 10 days) within which performance must be corrected.

d. Show Cause Notice - Failure to satisfy a "cure" notice or lack of 10 days remaining on contract performance may result in a "show cause" considered for termination for default (or breach) of contract. Usually the only cause for retraction of this notice is if the contractor positively corrects the problem performance and can prove steps have been taken to prevent a recurrence. Otherwise, termination will be the next step.

e. Termination for Cause--Commercial Items--The contracting officer has the right to terminate a contract for commercial items either for convenience or for cause when such a termination includes the same rights available to any buyer in the commercial marketplace according to FAR 12.403 and Clause 52.212-4.

f. Termination for Default (or Breach) of Contract - This is the final step in contract enforcement. Once a termination notice is issued there is no turning back. Faulty termination would be not only embarrassing, but would subject the government to possible liability for claims (\$\$) filed by the contractor. Default termination likewise has grave consequences for the contractor. The contractor may be liable for all procurement costs sustained by the government (including the difference between the contract price and that of the new procurement/contract) and usually sustains ruinous damage to his/her reputation and chances for future government contract awards.

1. Faulty termination would not only be embarrassing, but would subject the government to possible liability for claims (\$\$) filed by the contractor. The Default termination would be changed to a Termination for the Convenience of the Government. The contractor would then be entitled to settlement costs.

2. Default termination likewise has grave consequences for the contractor. The contractor may be liable for all procurement costs sustained by the government including the difference between the contract price and that of the new procurement/contract, liquidated damages through to the completion date of the take-over contractor and usually sustains ruinous damage to his/her reputation and chances for future

government contract awards.

g. The Importance of Timeliness - Fast reporting is the key to satisfactory contract performance. Report symptoms of defective performance to the contracting officer, and FOLLOW-UP IN WRITING!

6.7 TERMINATION OF CONTRACTS FOR THE CONVENIENCE OF THE GOVERNMENT – Most formal contracts and some purchase orders contain a clause under which the government may terminate at its own convenience. (Usually this action is taken when there is no longer a requirement for the items and/or service under contract.) It may also follow when a higher authority adjudges a termination for default to be improper. Termination for convenience may involve payment of a settlement cost to the contractor to compensate for expenses incurred in anticipation of contract performance.

6.8 CONTRACT CHANGES - Only the contracting officer is authorized to effect contract changes. Basically, changes fall into two broad categories: changes within the scope of the contract and changes outside the scope of the contract. The contracting officer generally has final authority for determining which category applies.

a. Changes within the scope of the contract are those that affect the work originally specified in the contract. The contracting officer is empowered to make such changes upon receipt of proper documentation (see below). The change may be in the form of either a "change order" or a "supplemental agreement" depending upon circumstances existing at the time.

b. Changes outside the scope of the contract are only authorized upon the existence of special circumstances, presented by the using activity in the form of a written justification in accordance with FAR Part 6. Otherwise, directives classify such changes as a "new contract" and require separate contracting action. Out-of-scope changes must be made via a supplemental agreement.

c. Documentation required for contract changes - Generally, the same supporting documentation is required for contract changes as for the original contract.

d. Emergency requests for contract changes - These must be telephoned to the contracting officer, who will give further instructions based on the severity of the emergency.

PART 7 - PROCEDURES FOR REPAIR CONTRACTS

The following procedures for processing equipment for repair for other than common use items such as lawn care, typewriters, calculators, etc., shall be followed.

7.1 PROCESSING PURCHASE REQUESTS - When an organization has determined that a piece of equipment is in need of repair from sources other than those available on base, the organization will initiate action for repair by completing an AF Form 9, Request for Purchase. Guidance for filling out this form shall be strictly followed according to sample given. (See Attachment 2.) The purchase request must be properly prepared, signed by the equipment custodian and funded through Finance whenever appropriate.

7.2 PREPARATION OF DD FORM 1149 - After acceptance of the purchase request, contracting will assign a request for quotation number. When repair is not made on site, the organization will be instructed to prepare a DD 1149, Requisition and Invoice/Shipping Document. This document is used for material/equipment being transferred to contractors for repair. The document will be signed by the contractor and, when returned, will be signed by the custodian or designated representative indicating receipt. As a minimum, all information in Blocks 1, 5, 6, a, b, c will be filled in.

7.3 SERVICE CARDS - The equipment to be repaired should be tagged in accordance with AFM 23-110 as follows:

a. **Green - DD Form 1577-2 - Unserviceable (Repairable)** - After being completely filled out and signed by the custodian of the organization processing the property, this tag will be attached to all repairable property. This form remains on the equipment while being repaired by the contractor.

b. **Red - DD Form 1577 - Unserviceable (Condemned)** - This tag will be used after Contract Repair Services, through a qualified source of repair, has made a determination that equipment is no longer repairable. Such determination is made by checking the technical order, if applicable, the tear down and repair quotation received on the item, age factors, if available, the maximum repair allowance and coordination with the equipment custodian. The maximum repair allowance is limited to 75% of the current acquisition cost or estimated replacement cost unless specified by technical order. Under emergency circumstances, the Maximum Repair Allowance (MRA) may be exceeded if justification is submitted in writing by the requiring activity.

c. **Yellow - DD Form 1574 - Serviceable** - This tag will be prepared and attached by the custodian to all serviceable material being returned to base supply stock. The custodian will annotate whether the item is covered by a warranty or guarantee and the applicable expiration date of the warranty.

7.4 WARRANTY OR GUARANTEE RESPONSIBILITIES - Equipment custodians need to be responsible for the following:

- a. Maintaining an accurate file on all current warranties and shipping documents.
- b. Advising the contracting office when an item is processed for repair if it is warranted or guaranteed.
- c. Ensuring that the warranty or guarantee accompanies any warranted or guaranteed item processed for repair.
- d. Furnishing purchase request when warranted items are processed for repair.

7.5 TRANSPORTATION OF EQUIPMENT - Transportation of contract repair service items will be either contractor pickup and return (preferred method) or government furnished.

7.6 RECEIVING REPORT - After the property is repaired, it will require a thorough inspection. When the service has been received and performed satisfactorily, the appropriate inspector must prepare a receiving report and submit it to the accounting and finance office, ensuring the contracting office receives a copy for the contract file. Receiving may be in the form of a signature and date in Block 32b. of Standard Form 1449, completion of a DD Form 250 or Certificate of Receipt on the contractor's invoice. The contractor cannot be paid until receipt of the service has been confirmed.

OPR: 89CONS/CCE (CMSgt Ed Claunch)
Approved by: Lt Col Roberta B. Burke

**FOR INSTRUCTION PURPOSES ONLY
DEPARTMENT OF THE AIR FORCE
89th Contracting Squadron
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